

WALLER LANSDEN DORTCH & DAVIS

A PROFESSIONAL LIMITED LIABILITY COMPANY

NASHVILLE CITY CENTER

511 UNION STREET, SUITE 2100

POST OFFICE BOX 198966

NASHVILLE, TENNESSEE 37219-8966

(615) 244-6380

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WALLER LANSDEN DORTCH & DAVIS, LLP
AFFILIATED WITH THE PROFESSIONAL LIMITED LIABILITY COMPANY
520 SOUTH GRAND AVENUE, SUITE 800
LOS ANGELES, CALIFORNIA 90071
(213) 362-3680

D. Billye Sanders
(615) 850-8951
bsanders@wallerlaw.com

RECEIVED

2003 DEC 12 AM 11:19

T.R.A. DOCKET ROOM

WALLER LANSDEN DORTCH & DAVIS
A PROFESSIONAL LIMITED LIABILITY COMPANY
809 SOUTH MAIN STREET
POST OFFICE BOX 1035
COLUMBIA, TENNESSEE 38402-1035
(931) 388-6031

December 11, 2003

VIA HAND DELIVERY

Deborah Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219

Re: Application of Tennessee Independent Telecommunications
Groups LLC d/b/a Iris Networks for a Certificate of Public
Convenience and Necessity to Provide Certain Telecommunications
Services within the State of Tennessee and Approval of Franchise
with the City of Knoxville
Docket No. 03-00581

Dear Chairman Tate:

Enclosed you will find the original and thirteen (13) copies of Iris
Networks' Responses to the TRA's Data Requests dated November 20, 2003.

Please contact me if you need any additional information.

Sincerely,



D. Billye Sanders
Attorney for Iris Networks

DBS/hmd
Enclosures

cc: Ellen Bryson

Application of Tennessee Independent Telecommunications Groups LLC d/b/a Iris Networks for a Certificate of Public Convenience and Necessity to Provide Certain Telecommunications Services within the State of Tennessee and Approval of Franchise with the City of Knoxville
Docket No. 03-00581

IRIS NETWORKS RESPONSES TO DATA REQUESTS FROM THE TRA STAFF

In the letter dated November 20, 2003 from Joe Werner, Telecommunications, Chief, Mr. Werner referred to requirements of "CLEC" Applicants and also indicated that Iris Networks had applied for a Certificate of Convenience of Necessity to provide "competing facilities-based local services in Tennessee." Iris Networks does not seek to become a competing local exchange carrier. As indicated in its Application (Page 5, section 5), Iris is a carriers' carrier that provides long haul transport to other carriers and also provides competitive access to carriers on behalf of incumbent local exchange carriers through a tandem switch. Iris Networks does not intend to provide competing local exchange services and does not seek authorization for such services in its Application to the TRA.

1. Provide a copy of the license of Iris Networks to do business in Tennessee.

ANSWER: Tennessee Independent Telecommunications Group, LLC d/b/a Iris Networks is a Tennessee limited liability company, therefore it is not required to have a "license" or to qualify to do business in the State of Tennessee. By virtue of it being organized within the State of Tennessee it is licensed to do business here. Although Iris Networks previously filed its Tennessee Articles of Organization, attached under Tab 1 is a statement from the Secretary of State that Tennessee Independent Telecommunications Group, LLC was formed on 11/25/1995 with a copy of the Articles for Organization, the Application for the Registration of Assumed Name, the First Amended and Restated Articles of Organization of Tennessee Independent Telecommunications Group, LLC and two annual reports.

2. Please provide The Operating Agreement between Tennessee Independent Telecommunications Groups LLC d/b/a Iris Networks ("Iris") and the members of the Limited Liability Company.

ANSWER: A copy of Iris Network's Operating Agreement is attached behind Tab 2.

3. Please provide the disclosures to the financial statements provided as required by generally accepted accounting principles.

ANSWER: The financial statements filed with the Application are for the 9 months ending September 30, 2003. Financial disclosures are not provided for such unaudited statements. Attached behind Tab 3 are Iris Networks' audited financial statements for December 31, 2002, which contain disclosures. They are confidential and filed under seal.

4. Provide information concerning the Long Term Note Payable as listed on the Balance Sheet of \$11,506,526. Who is it payable to? What are the terms?

ANSWER: The response is confidential and filed under seal.

5. Provide a breakdown of the \$108,000 in Professional Fees on the *Statements of Operations and Accumulated Deficit*.

ANSWER: The response is confidential and filed under seal.

6. Do Tennessee Independent Telecommunications Groups LLC d/b/a Iris Networks and the members of the LLC that operate as regulated Companies, i.e. Ardmore Telephone Company and Loretto Communications Services, Inc. share any expenses or have any common employees? If so, please list the company and the expenses shared.

ANSWER: Tennessee Independent Telecommunications Group, LLC d/b/a Iris Networks does not share any expenses or employees with any regulated or non-regulated company in the state.

7. Will the regulated Companies share in any revenues or earnings of Tennessee Independent Telecommunications Groups LLC d/b/a Iris Networks ?

ANSWER: All the owners of Iris Networks will share in distributions from the company based on the Operating Agreement, (see Tab 2). Iris Networks bills access charges on behalf of its members. This revenue is reported on a 1099 to each company.

8. Funding is stated to be provided by the owners via equity investments. What amount will be funded and when will it be provided? If any funding is expected from regulated entities, provide a listing of the regulated entity and the amount funded by that entity.

ANSWER: The response is confidential and filed under seal.

9. On March 10, 2000, the Tennessee General Assembly enacted Public Chapter 586 which amends Tennessee Code Annotated § 65-4-125, "Changes in telecommunications service provider-Regulation-Enforcement." Section 3 of this act

states as follows: Section 3. Tennessee Code Annotated, Section 65-4-125, is amended by adding the following as a new, appropriately designated subsection:

j. By September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the authority, except those owners or operators of public [pay] telephone service who pay annual inspection and supervision fee pursuant to Tennessee Code Annotated, Section 65-4-301 9(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million dollars (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the authority.

ANSWER: A letter indicating qualification for a waiver was filed with the TRA on December 4, 2003.

Secretary of State

Division of Business Services

312 Eighth Avenue North

6th Floor, William R. Snodgrass Tower

Nashville, Tennessee 37243

ISSUANCE DATE: 12/09/2003

REQUEST NUMBER: 03343502

FILE/REGISTRATION DATE: 11/25/1998

STATUS: ACTIVE

CONTROL NUMBER: 0361265

JURISDICTION: TENNESSEE

TO:
HEIDI DUNN @ WALLER LANSDEN
511 UNION ST
STE 2100
NASHVILLE, TN 37219

REQUESTED BY:
HEIDI DUNN @ WALLER LANSDEN
511 UNION ST
STE 2100
NASHVILLE, TN 37219

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT

"TENNESSEE INDEPENDENT TELECOMMUNICATIONS GROUP, LLC"

WAS FORMED OR QUALIFIED TO DO BUSINESS IN THE STATE OF TENNESSEE ON THE ABOVE
DATE, AND THAT THE ATTACHED DOCUMENT(S) WAS/WERE FILED IN THIS OFFICE ON THE
DATE(S) AS BELOW INDICATED.

REFERENCE NUMBER	DATE FILED	FILING TYPE	FILING ACTION								
			NAM	DUR	STK	PRN	OFC	AGT	INC	MAL	FYC
3588-1230	11/25/1998	LLC ORGANIZATIO									
4059-0338	11/28/2000	LLC ASSUME NAME									
4123-1010	02/14/2001	LLC AN RPT/AGT					X	X	X		
4322-0282	10/17/2001	LLC AMD/RESTATE									
4703-1165	01/22/2003	LLC AN RPT/AGT					X	X			

FOR: REQUEST FOR COPIES

ON DATE: 12/09/03

FROM:
WALLER LANSDEN DORTCH & DAVIS (511 UNION
SUITE 2100
511 UNION STREET
NASHVILLE, TN 37219-1760

FEES

RECEIVED: \$20.00 \$0.00

TOTAL PAYMENT RECEIVED: \$20.00

RECEIPT NUMBER: 00003392099
ACCOUNT NUMBER: 00000832



Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE



Department of State
Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

APPLICATION FOR REGISTRATION
OF ASSUMED
LIMITED LIABILITY COMPANY NAME

For Office Use Only

RECEIVED
STATE OF TENNESSEE
2000 NOV 28 AM 8:41
MILLER DANHELL
SECRETARY OF STATE

Pursuant to the provisions of § 48-207-101 (d) of the Tennessee Limited Liability Company Act, the undersigned Limited Liability Company hereby submits this application:

1. The true name of the Limited Liability Company is:

Tennessee Independent Telecommunications Group, LLC

2. The state or country of organization is:

Tennessee

3. The Limited Liability Company intends to transact business under an assumed Limited Liability Company name.

4. The assumed Limited Liability Company name the Limited Liability Company proposes to use is:

IRIS Networks

NOTE: The assumed Limited Liability Company name must meet the requirements of § 48-207-101 of the Tennessee Limited Liability Company Act.

November 19, 2000
Signature Date

Chief Manager
Signer's Capacity

Tennessee Independent Telecommunications Group, LLC
Name of Limited Liability Company

Ellen Bryson
Signature

Ellen Bryson
Name (typed or printed)

ONLY

LIMITED LIABILITY COMPANY ANNUAL REPORT

4123 1010

STATE OF TENNESSEE
SECRETARY OF STATE
SUITE 1800, JAMES K. POLK BUILDING
NASHVILLE, TN: 37243-0306

FILING FEE - \$55.00 PER MEMBER ON THE DATE OF FILING, WITH A MINIMUM FEE OF \$300.00 DOLLARS AND A MAXIMUM FEE OF \$3000.00

CURRENT FISCAL YEAR CLOSING MONTH: 12
CORRECT MONTH IS:

IF DIFFERENT,

THIS REPORT IS DUE ON OR BEFORE: 04/01/01

(1) SECRETARY OF STATE CONTROL #: 0361265

FEDERAL EMPLOYER IDENTIFICATION #: 62-1762904

(2A.) NAME AND MAILING ADDRESS OF LIMITED LIABILITY COMPANY

(2B.) STATE OR COUNTRY OF FORMATION
TENNESSEE

TENNESSEE INDEPENDENT
TELECOMMUNICATIONS GROUP, LLC
950 MAIN STREET
SUITE D
WARTBURG, TN 37887

(2C.) ADD OR CHANGE MAILING ADDRESS:
Tennessee Independent
Telecommunications Group, LLC
D/B/A Iris Networks
2525 West End Ave.
4th Floor
Nashville, TN 37203

D 11/25/1998 FOR PROFIT

(3) A. PRINCIPAL ADDRESS INCLUDING CITY, STATE, ZIP CODE:
950 MAIN STREET, SUITE D, WARTBURG, TN 37887
B. CHANGE OF PRINCIPAL ADDRESS:

STREET	CITY	STATE	ZIP CODE + 4
2525 West End Avenue, 4th Floor	Nashville	TN	37203

** BLOCK 4 MUST BE COMPLETED OR THE ANNUAL REPORT WILL BE RETURNED **

(4) NAME AND BUSINESS ADDRESS, INCLUDING ZIP CODE, OF ITS GOVERNORS, IF BOARD MANAGED; THE MANAGERS, IF MEMBER MANAGED
(ATTACH ADDITIONAL SHEET IF NECESSARY.)

CITY, STATE, ZIP CODE +

NAME

BUSINESS ADDRESS

See attached list.

☒ BOARD MANAGED

☐ IS THIS LLC PROHIBITED FROM ENGAGING IN BUSINESS IN TENNESSEE

☐ MEMBER MANAGED

(5) A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS:

MARK PATTERSON

B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS:

950 MAIN STREET, SUITE D, WARTBURG, TN 37887

(6) INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE.
(BLOCK 5A AND/OR 5B.) THERE IS AN ADDITIONAL \$25.00 FILING FEE REQUIRED FOR CHANGES MADE TO THIS INFORMATION.

A. CHANGE OF REGISTERED AGENT:

Ellen Bryson

B. CHANGE OF REGISTERED OFFICE:

2525 West End Avenue, 4th Floor Nashville, TN 37203 Davidson
STREET CITY STATE ZIP CODE + 4 COUNT

(7) NUMBER OF MEMBERS AT THE DATE OF THIS FILING: 11

(8) SIGNATURE *Ellen Bryson*

(9) DATE

February 8, 2001

(10) TYPE/PRINT NAME OF SIGNER:

Ellen Bryson

(11) TITLE OF SIGNER

Chief Manager

** THIS REPORT MUST BE DATED AND SIGNED **



RECEIVED
FEB 14 AM 10:02
SECRETARY OF STATE

Board of Governors
Tennessee Independent Telecommunications Group, LLC
D/B/A IRIS Networks
February 8, 2001

Mr. Terry Wales
Ardmore Telephone Company
P. O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449

Mr. Bill Franklin
Scott County Telephone Coop.
P.O. Box 487
121 Woodland Street
Gate City, VA 24251

Mr. Levoy Knowles
Ben Lomand Rural Telephone Cooperative
P.O. Box 670
311 North Chancery Street
McMinnville, TN 37111

Mr. Robert Dudney
Twin Lakes Telephone Cooperative
P. O. Box 67
201 Gore Avenue
Gainesboro, TN 38562-0067

Mr. Greg Anderson
Bledsoe Telephone Cooperative
P.O. Box 609
203 Cumberland Ave.
Pikeville, TN 37367

Mr. Herb Bivens
United Telephone Company
P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034

Mr. Wayne Gassaway
DTC Communications
P.O. Box 247
111 High Street
Alexandria, TN 37012

Mr. Trevor Bonnstetter
West KY Rural Telephone Coop.
P.O. Box 649
237 North 8th Street
Mayfield, KY 42066

Mr. Fred Terry
Highland Telephone Cooperative
P. O. Box 119
7840 Morgan County Hwy.
Sunbright, TN 37872

Mrs. Louise Brown
Loretto Communications Services, Inc.
P.O. Box 130
136 S. Main Street
Loretto, TN 38469

Mr. Tom Rowland
North Central Communications, Inc.
P.O. Box 70
Hwy 52 By-Pass
Lafayette, TN 37083

FIRST
AMENDED AND RESTATED
ARTICLES OF ORGANIZATION
OF
TENNESSEE INDEPENDENT TELECOMMUNICATIONS GROUP, LLC

RECEIVED
01 OCT 17 AM 11:25
TENNISSEE
STATE

Pursuant to the provisions of the Tennessee Limited Liability Company Act, the Articles of Organization of Tennessee Independent Telecommunications Group, LLC, as filed with the Secretary of State of Tennessee on November 25, 1998, are hereby amended and restated as follows:

Name

The name of the limited liability company is Tennessee Independent Telecommunications Group, LLC (the "Company").

Registered Office and Agent

The name and address of the registered agent is Ellen Bryson at 2525 West End Avenue, 4th Floor, Nashville, Davidson County, Tennessee 37203.

Organizer

Mark Patterson, whose address is 950 Main Street, Suite D, Wartburg, Morgan County, Tennessee 37887 is the organizer of the LLC.

Number of Members

At the date of the filing of the Articles, there are eleven (11) members.

Date of Formation

The existence of the Company began upon the filing of the original Articles of Organization on November 25, 1998.

Management

The Company shall be board-managed. The business of the Company shall be conducted under the management of its board in accordance with the operating agreement and the Act. Each governor shall have one (1) vote for each Unit beneficially held by the member that appointed such governor.

4322 0283

Principal Executive Office

The Principal Executive Office of the Company is 2525 West End Avenue, 4th Floor, Nashville, Davidson County, Tennessee 37203.

Transfer of Membership Interest

No member may transfer or assign his membership interest or any part thereof to any person except as provided in the operating agreement. No holder may transfer or assign his financial rights to any person except as provided in the operating agreement. The consent to transfer may be by board and/or member action as provided in the operating agreement. In absence of a provision in the operating agreement, the default rules of the Act shall apply.

Dissolution Events

The events or actions that constitute a dissolution may be by board and/or member action as provided in the operating agreement. In absence of a provision in the operating agreement, the dissolution events shall be (i) a majority vote of the members to dissolve or (ii) the having of less than one member.

Preemptive Rights and Right of First Refusal

Members and parties to a contribution agreement may have preemptive rights if so provided in the operating agreement. The members and/or the Company and/or a specific member may have rights of first refusal if they are set forth in the operating agreement.

Action on Recommendation

If the operating agreement so provides, action on recommendation as permitted in T.C.A. §48-223-103 shall be allowed.

1322 0234

1999 LLC Amendments

In accordance with the amendment to Tenn. Ann. Code Section 48-245-101(a) as set forth in House Bill No. 1807 ("H.B. 1807") of the 101st General Assembly of the State of Tennessee, the Company elects into the revised limited liability company dissolution provisions. In addition, the Company elects to have the remaining provisions of H.B. 1807 as well as the provisions of House Bill 1872 and House Bill 992 apply to it, except to the extent such provisions are modified by the written operating agreement.

Expulsion

If the operating agreement so provides, a member may be expelled as provided therein.

1. The amendment was duly adopted on Oct. 15, 2001, by at least a majority of the members of the Company.
2. The amendment was duly adopted on Oct. 15, 2001, by at least a majority of the governors of the Company.
3. The amendment is to be effective upon filing with the Tennessee Secretary of State.

Agreed to this the 15th day of October, 2001.

TENNESSEE INDEPENDENT
TELECOMMUNICATIONS
GROUP, LLC

By: Ellen Bryson
Its: Chief Manager

REC'D JAN 06 2003

ANNUAL REPORT FILING FEE DUE:

CURRENT FISCAL YEAR CLOSING MONTH: 12
CORRECT MONTH IS _____

THIS REPORT IS DUE ON OR BEFORE: 04/01/03

**** THIS REPORT MUST BE DATED AND SIGNED ****



Board of Governors
Tennessee Independent Telecommunications Group, LLC
d/b/a IRIS Networks
2002-2003

Mr. Terry Wales
Ardmore Telephone Company
P.O. Box 549
517 Ardmore Ave.
Ardmore, TN 38449

Mr. Levoy Knowles
Ben Lomand Rural Telephone Cooperative
P.O. Box 670
311 North Chancery St.
McMinnville, TN 37111

Mr. Greg Anderson
Bledsoe Telephone Cooperative
P.O. Box 609
203 Cumberland Ave.
Pikeville, TN 37367

Mr. Wayne Gassaway
DTC Communications
P.O. Box 247
111 High St.
Alexandria, TN 37012

Mr. Fred Terry
Highland Telephone Cooperative
P.O. Box 119
7840 Morgan County Hwy.
Sunbright, TN 37872

Mr. Sayles Brown
Loretto Communications Services, Inc.
P.O. Box 130
136 S. Main St.
Loretto, TN 38469

Mr. Bill Franklin
Scott County Telephone Cooperative
P.O. Box 487
121 Woodland St.
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Mr. Robert Dudney
Twin Lakes Telephone Cooperative
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201 Gore Ave.
Gainesboro, TN 38562-0067

Mr. Herb Bivens
United Telephone Company
P.O. Box 38
120 Taylor St.
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Mr. Trevor Bonnstetter
West KY Rural Telephone Coop.
P.O. Box 649
237 North 8th St.
Mayfield, KY 42066

Mr. Tom Rowland
North Central Communications, Inc.
P.O. Box 70
Hwy. 52 By-Pass
Lafayette, TN 37083

**TENNESSEE INDEPENDENT TELECOMMUNICATIONS GROUP, LLC
FIRST AMENDED AND RESTATED
LIMITED LIABILITY COMPANY OPERATING AGREEMENT**

THIS FIRST AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT ("Agreement") is entered into effective as of Oct. 15th, 2001 ("Effective Date"), by and among the Entities (sometimes collectively referred to as the "parties") listed on Exhibit A attached to this Agreement and Tennessee Independent Telecommunications Group, LLC., a Tennessee limited liability company ("Company"). Individually, these Entities are each Members of the Company.

RECITALS

WHEREAS, the parties have determined that their individual interests may be best fostered by forming an organization that will provide telecommunications services and other services incidental to the provision of telecommunications services; and

WHEREAS, the parties have agreed to organize and operate a limited liability company in accordance with the terms of, and subject to the conditions set forth in, this Agreement;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Defined Terms

Certain capitalized terms shall have the meanings specified in Exhibit 1. Other terms are defined in the text of this Agreement; and, throughout this Agreement, those terms shall have the meanings respectively ascribed to them.

2. Formation and Name; Office; Purpose; Term

2.1. Organization. Company was formed on November 25, 1998 as a Tennessee limited liability company by the execution and filing of the Statement with the Secretary of State in accordance with the provisions of the Act. Company shall file the Statement in the office of the register of deeds in the county where it has its principal office in accordance with the provisions of the Act.

2.2. Name. The name of the Company is "Tennessee Independent Telecommunications Group, LLC." The Company may conduct its business under

any tradenames and service marks determined by the Company and in accordance with all applicable laws, rules, and regulations.

2.3. Purposes. The purposes for which this Company is formed are to: (a) provide telecommunications related services and equipment, and services incidental to the provision of telecommunications services; (b) invest in entities which provide such services and equipment; (c) negotiate on behalf of its Members with vendors in an effort to produce favorable pricing on such services and equipment; and (d) conduct business in the State of Tennessee or any other State for any lawful purpose for which a limited liability company may be organized under the Act.

2.4. Term. The term of the Company began upon the filing of the Statement with the Secretary of State and shall continue until terminated pursuant to Section 9 of this Agreement.

2.5. Powers. The Company shall have and may exercise all powers necessary or convenient to carry out its business and affairs.

2.6. Registered Office and Registered Agent. The registered office of the Company in the State of Tennessee and the registered agent of the Company in the State of Tennessee shall be that set forth in Exhibit A and may be changed in accordance with the terms of this Agreement and in the manner provided by the Act.

2.7 Partnership Interests – Members. The interest of the Company shall be expressed as units of participation and shall be fully paid and non-assessable ("Units"). The Company shall have the authority to issue a total of 100,000,000 Units, which Units shall have the rights, privileges, powers and restrictions set forth in this Agreement. Fractional Units shall not be issued. The name, present mailing address, taxpayer identification number, telephone and facsimile numbers, and number of Units held by each Member is set forth on Exhibit A. Units shall not be evidenced by a certificate. At the request of any Member, the Company shall state in writing the particular membership interest owned by that Member as of the time the Company makes the statement. The statement must describe the Member's rights to vote, to share in profits and losses, and to share in distributions, as well as any assignment of the Member's rights then in effect. The statement shall not be deemed to be a "security," as in T.C.A. § 47-8-102(15), provided, however, that the interest of the Members in the Company shall expressly be deemed to be a security governed by the provision of T.C.A. § 47-8-103, except to the extent provided otherwise herein.

3. Capital Contributions

3.1. Initial Capital Contributions. Upon the execution of this Agreement, the Members contributed to the Company cash as their initial capital contributions.

3.2. Additional Capital Contributions. (a) Additional Capital Contributions may only be requested by the Board as funds are needed to meet the operating and management expenses and financial obligations of the Company. In the event the Board determines that additional capital is so needed, the Board shall give notice to each Member of (i) the total amount of the additional Capital Contribution required, (ii) the reason the additional Capital Contribution is required, (iii) each Member's proportionate share of the total additional Capital Contribution (determined in accordance with this Section), and (iv) the date each Member's additional Capital Contribution is due and payable, which date shall not be less than 10 business days after the notice is deemed received by such Member. A Member's proportionate share of the total additional Capital Contribution shall be equal to the product of (A) the total additional Capital Contribution divided by the number of Units outstanding ("Per Unit Amount") multiplied by (B) the number of Units held by the Member.

(b) If one or more Members (a "Defaulting Member(s)") shall fail to make its additional Capital Contribution in whole or in part (the "Deficiency"), the other Members (the "Non-Defaulting Members") shall have the right to contribute the Deficiency to the Company for their own Capital Accounts (each Non-Defaulting Member contributing in proportion to the ratio of its Capital Account to the combined Capital Accounts of the other Non-Defaulting Members who are contributing, or in such other ratios as they shall agree) and adjust the Units owned by each Member, effective from the date of such contribution, as set forth in Section 4.2 to reflect such contribution.

The provisions of this Section 3.2 constitute an agreement among the Members only and are not intended to create any right or interest on behalf of any person who is not a Member or require any Member to make a capital contribution for the benefit of any person who is not a Member.

3.3. Form of Capital Contributions. Funding of both initial and additional Capital Contributions to the Company shall be in cash and, if permitted by the Board, may be in the form of a proms note or other obligation to contribute cash, or any other permissible consideration under the Act.

3.4. No Interest. Interest Holders shall not be paid interest on their Capital Contributions.

3.5. Return of Capital Contribution. Except as otherwise provided in this Agreement, no Interest Holder shall have the right to receive any return of any Capital Contribution.

3.6. Form of Distribution. If an Interest Holder is entitled to receive a Distribution, the Company may distribute cash, notes, property or a combination thereof to the Interest Holder.

3.7. Loans. Any Member may, at any time, make or cause a loan to be made to the Company in any amount and on those terms upon which the Company and the Member agree.

4. Capital Accounts; Allocations and Distributions

4.1. Capital Accounts. A Capital Account shall be established and maintained for each Interest Holder in such Interest Holder's Initial Capital Account Amount.

4.2. Adjustment of Unit Ownership. In the event that (i) the Board determines that additional Capital Contributions are required as provided in Section 3.2(a) and (ii) any Member fails to make the contribution required of it in full on or before the sixtieth (60th) calendar day following the due date specified by the Board and (iii) one or more Non-Defaulting Members elect to contribute to the Company for their own Capital Accounts the Deficiency, then the Units owned by the Members shall be adjusted effective as of the due date of such additional Capital Contribution. In such event, the Percentage of each Member shall be recalculated so that (A) the Percentage of each Defaulting Member immediately prior to the making of such Capital Contribution shall be reduced by subtracting therefrom the product of (1) such Defaulting Member's Percentage immediately prior to such reduction, multiplied by (2) a fraction, the numerator of which shall be the Deficiency and the denominator of which shall be the amount of the Defaulting Member's Capital Account and (B) the Percentage of each Non-defaulting Member immediately prior to the making of such additional Capital Contribution shall be increased by adding thereto an amount equal to such Non-defaulting Member's pro rata share, determined in accordance with the ratio of the Non-defaulting Members' Percentages, of the amount subtracted from the Percentage of the Defaulting Member. Each Member's recalculated Percentage shall then be multiplied by the total outstanding Units as of such date, and the corresponding amounts shall be the new Unit ownership of each Member. If a Member's Percentage is reduced to less than one percent (1%) pursuant to the provisions of this paragraph, then such Member's Unit ownership shall be further reduced to zero and it shall cease to be a Member as of such date. Such Member(s) shall not be entitled to compensation because of such further reduction. For purposes of allocating Profits and Losses, any reduction in a Member's Percentage shall be treated as a permitted assignment of the amount of the reduction to the Member(s) who do contribute.

4.3. Tax Allocations. After giving effect to the special allocations set forth in Section 4.5 for any taxable year of the Company, Profit and Loss shall be apportioned ratably to each day of the Company's taxable year and each day's share of such Profit and Loss shall be allocated to the Interest Holders in proportion to their respective Percentages on such days.

4.4. Distributions. At such time as the Company achieves a cumulative net profit, funds of the Company from all sources, less appropriate reserves as are determined by the Board to be reasonably necessary for future administrative and operating expenses, loan payments and other costs and expenses and contingencies, shall be distributed on an annual basis, or more frequently if so determined by the Board. Each Distribution pursuant to this Section 4.4 shall be made to the Interest Holders in proportion to the daily weighted average of their respective Percentages as in effect from time to time during the relevant time period. In the event that a Member declines to draw its Distribution in whole or in part, the undistributed portion of the Distribution shall be treated as a non-interest bearing demand loan to the Company and not as part of such Member's Capital Account.

4.5. Tax Compliance. It is the intention of the Members that each Member's distributive share of Profits and Losses shall be determined and allocated in accordance with the allocation provisions of this Agreement. Therefore, if the Board reasonably determines that the allocation provisions of this Agreement are unlikely to be respected for Federal income tax purposes, due to the application of Code Sections 704(b) and (c) or otherwise, the Board shall recommend appropriate amendments to this Agreement in order to effectuate the allocation provisions contemplated herein. The following shall apply to all allocations:

(a) Except as set forth in Regulation Section 1.704-2(f)(2), (3) and (4), if, during any taxable year, there is a net decrease in Minimum Gain, each Interest Holder, prior to any other allocation pursuant to this Section 4, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, subsequent taxable years) in an amount equal to that Interest Holder's share of the net decrease of Minimum Gain, computed in accordance with Regulation Section 1.704-2(g). Allocations of gross income and gain pursuant to this Section 4.5(a) shall be made first from gain recognized from the disposition of Company assets subject to nonrecourse liabilities (within the meaning of the Regulations promulgated under Code Section 752), to the extent of the Minimum Gain attributable to those assets, and thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Section 4.5(a) shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

(b) No Interest Holder shall be allocated Losses or deductions if the allocation causes an interest Holder to have an Adjusted Capital Account Deficit. If an Interest Holder receives (1) an allocation of Loss or deduction (or item thereof) or

(2) any distribution which causes the Interest Holder to have an Adjusted Capital Account Deficit at the end of any taxable year, then all items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain) for that taxable year shall be allocated to that Interest Holder before any other allocation is made of Company items for that taxable year, in the amount and in the proportions required to eliminate the excess as quickly as possible. This Section 4.5(b) is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

(c) In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(iv)(d)(3), income, gain, loss and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Interest Holders so as to take account of any variation between the adjusted basis of the property to the Company for federal tax purposes and its fair market value at the date of contribution (or deemed contribution). If the adjusted book value of any Company asset is adjusted as provided herein, subsequent allocations of income, gain, loss and deduction with respect to the asset shall take account of any variation between the adjusted basis of the asset for federal tax purposes and its adjusted book value in the manner required under Code Section 704(c) and the Regulations thereunder.

(d) To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of the adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases basis), and the gain or loss shall be specially allocated to the Interest Holders in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

(e) Nonrecourse Deductions for a taxable year or other period shall be specially allocated among the Interest Holders in proportion to their Percentages.

(f) Any Member Loan Nonrecourse Deduction for any taxable year or other period shall be specially allocated to the Interest Holder who bears the risk of loss with respect to the loan to which the Member Loan Nonrecourse Deduction is attributable in accordance with Regulation Section 1.704-2(b).

(g) To the extent any compensation paid to any Member by the Company, including any fees payable to any Member pursuant to Section 5.4 hereof, is determined by the Internal Revenue Service not to be a guaranteed payment under Code Section 707(c) or is not paid to the Member other than in the Entity's

capacity as a Member within the meaning of Code Section 707(a), the Member shall be specially allocated gross income of the Company in an amount equal to the amount of that compensation, and the Member's Capital Account shall be adjusted to reflect the payment of that compensation.

(h) If an Interest Holder's Interest is reduced (provided the reduction does not result in a complete termination of the Interest Holder's Interest), the Interest Holder's share of the Company's "unrealized receivables" and "substantially appreciated inventory" (within the meaning of Code Section 751) shall not be reduced, so that, notwithstanding any other provision of this Agreement to the contrary, that portion of the Profit otherwise allocable upon a liquidation or dissolution of the Company pursuant to Section 9 hereof which is taxable as ordinary income (recaptured) for federal tax purposes shall, to the extent possible without increasing the total gain to the Company or to any Interest Holder, be specially allocated among the Interest Holders in proportion to the deductions (or basis reductions treated as deductions) giving rise to such recapture. Any questions as to the aforesaid allocation of ordinary income (recapture), to the extent such questions cannot be resolved in the manner specified above, shall be resolved by the Members.

(i) All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state or local tax law shall be treated as amounts actually distributed to the affected Interest Holders for all purposes under this Agreement.

4.6. Liquidation and Dissolution. (a) If the Company is liquidated, the assets of the Company shall be distributed to the Interest Holders in accordance with the balances in their respective Capital Accounts, after taking into account Section 9.2, and the allocations of Profit or Loss pursuant to Section 4.3, if any, and Distributions, if any, of cash or property pursuant to Section 4.4.

(b) No Interest Holder shall be obligated to restore a Negative Capital Account.

4.7. General. (a) The Board shall not make any Distribution under Section 4.4 if after giving effect to the Distribution (1) the Company would not be able to pay its debts as the debts become due in the usual course of business, or (2) the Company's total liabilities plus, the amount that would be needed if the affairs of the Company were to be wound up at the time of the distribution to satisfy any preferential rights that are superior to the rights of Members receiving the Distribution.

(b) If any assets of the Company are distributed in kind to the Interest Holders, those assets shall be valued on the basis of their fair market value, and any Interest Holder entitled to any interest in those assets shall receive

that interest as a tenant-in-common with all other Interest Holders so entitled. Unless the Members otherwise agree, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the Members. The Profit or Loss for each unsold asset shall be determined as if the asset had been sold at its fair market value, and the Profit or Loss shall be allocated as provided in Section 4.3 and shall be properly credited or charged to the Capital Accounts of the Interest Holders prior to the distribution of the assets in liquidation pursuant to Section 4.5.

(c) The Board may base a determination that a Distribution is not prohibited under Section 4.7(a) upon the following: (1) financial statements prepared on the basis of accounting practices and principles that are reasonable under the circumstances; or (2) a fair valuation of assets and liabilities or other reasonable method approved by the Board.

(d) Except as provided in this Section 4.7(d), the effect of a Distribution under Section 4.4 is measured as of (1) the date the Distribution is authorized if the payment occurs not more than 120 days after the date of authorization or (2) the date the payment is made if it occurs more than 120 days after the date of authorization. The Company's indebtedness to a Member incurred by reason of an obligation to make a Distribution in accordance with Sections 4.4 and 4.7(a) is at parity with the Company's indebtedness to its general unsecured creditors, except to the extent subordinated by agreement. If terms of the indebtedness provide that payment of principal and interest is to be made only if and to the extent that payment of a Distribution to Members could then be made under Sections 4.4 and 4.7(a), indebtedness of the Company, including indebtedness issued as a Distribution, is not a liability for purposes of determination made under Section 4.7(a). If the indebtedness is issued as a Distribution, each payment of principal or interest on the indebtedness is treated as a Distribution, the effect of which is measured on the date the payment is actually made.

(e) The Members shall, upon the advice of the Company's tax counsel, amend this Section 4 from time to time as necessary to comply with the Code and the Regulations promulgated under Code Section 704(b); provided, however, that no amendment shall materially affect Distributions to an Interest Holder without the Interest Holder's prior written consent.

5. Member Right and Powers.

5.1. Member Rights. Each Member shall have the right to: (a) Inspect and copy, during normal business hours and at its own expense, upon three business days notice to the Board or any Manager, any of the Company books of record, accounting records, financial statements or other records or reports contemplated by Section 10.2;

(b) Have on demand true and full information of all things affecting the Company, and a formal account of Company affairs whenever circumstances render it just and reasonable;

(c) Audit, at its own expense and once every calendar year, the Company's books of record, accounting records, and financial statements of the Company;

(d) Have dissolution and winding up by decree of court when permitted under the Act;

(e) Meet with representatives of the Board and Managers on a regular basis as to the operation of the Company; and

(f) Vote on matters affecting the Company or the Members in accordance with the provisions of this Agreement.

5.2. Member Meetings and Voting. (a) The annual meeting of Members, commencing with the year 2000, shall be held on a date established by the Board. At the annual meeting of Members, Governors shall be appointed and there shall be transacted such other business as may properly come before the meeting. A special meeting of the Members may be called at any time by the Board on its own or upon request of any Member or Members representing at least 30% of the issued and outstanding Units. Meetings of Members shall be held at the Company's principal place of business or at any other place within or without the State of Tennessee designated by the Board. In the alternative, meetings may be held by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other simultaneously, and such participation shall constitute presence in person at such meeting. Not less than 10 nor more than 50 days before each annual or special meeting, the Board shall give written notice of the meeting to each Member entitled to vote at the meeting. The notice shall state the time, place and purpose of the meeting. Notwithstanding the foregoing provisions, each Member who is entitled to notice waives notice if before or after the meeting the Member signs a waiver of the notice which is filed with the records of Members' meetings, or is present at the meeting in person or by proxy. Each Member shall have a vote on any matter coming before the Members equal to one (1) vote for each Unit it holds. Any such vote may be cast either in person or by written proxy signed by the Member or by the Member's duly authorized proxy. The presence in person or by proxy of the Members holding more than 50% of the issued and outstanding Units shall constitute a quorum for meetings and special meetings. Members also may make decisions, without holding a meeting, by written consent of all of the Members. Any action to be voted on by the Members may be taken by mail, at the discretion of the Board, in such manner as the Board shall decide in each instance.

(b) Except as otherwise provided in this Agreement or the Act, decisions or approvals of the Members shall require the approval by a Majority Vote of the Members whether in person or by proxy at a meeting at which a quorum is present.

(c) The Members listed on Exhibit 5.2(c) agree that each shall have the right to (1) appoint one Governor to serve on the Board described in Section 6.1, and (2) remove at any time and for any reason the Governor then acting and representing it and appoint a successor Governor to complete the term of the Governor being removed, and (3) designate a successor to complete the term of the Governor then acting and representing it who is no longer on the Board due to his earlier death, resignation, or the earlier termination of his term of office.

5.3. Limitation on Authority of Members. No Member is an agent of the Company solely by virtue of being a Member, and no Member has authority to act for the Company solely by virtue of being a Member. Any Member who takes any action or binds the Company in violation of this Section 5 shall be solely responsible for any loss and expense incurred by the Company as a result of the unauthorized action and shall indemnify and hold the Company and all other Members harmless with respect to the loss or expense.

5.4. Personal Services; Other Matters. (a) No Member shall be required to perform services for the Company solely by virtue of being a Member. Unless approved by the Board, no Member shall be entitled to compensation for services performed for the Company. Upon substantiation of the amount and purpose thereof, however, the Member shall be entitled to reimbursement for expenses reasonably incurred in connection with the activities of the Company.

(b) Nothing in this Agreement shall be deemed to restrict in any way the rights of any Member, or of any Affiliate of any Member, to conduct any other business or activity whatsoever, and no Member shall be accountable to the Company or to any other Member with respect to that business or activity even if the business or activity competes with the Company's business. The organization of the Company shall be without prejudice to the Members' respective rights (or the rights of the Members' respective Affiliates) to maintain, expand or diversify such other business or activities and to receive and enjoy profits or compensation therefrom. Each Member waives any rights the Member might otherwise have to share or participate in such other business or activities of any other Member or its Affiliates.

(c) Each Member understands and acknowledges that the conduct of the Company's business may involve business dealings and undertakings with Members and their Affiliates. In any such instance, those dealings and undertakings shall be at arm's length and on commercially reasonable terms.

5.5. Company Continuation. Neither the death, incompetency, insolvency, Bankruptcy, termination, liquidation, dissolution, change in legal form of organization or withdrawal, whether voluntary or involuntary, of any Member shall terminate or dissolve the Company, and the remaining Members shall continue the Company and its business until the dissolution thereof as provided in this Agreement.

6. Management; Board of Governors; Managers.

6.1 Management; Board of Governors. (a) The business and affairs of the Company shall be managed under the direction and control of a Board of Governors ("Board"), which shall consist of that number of individuals (each a "Governor") equal to the number of Members listed on Exhibit 5.2(c), and each of whom need not be Members or representatives of Members. The Board initially shall consist of those individuals named on Exhibit 6.1. All powers of the Company shall be exercised by or under the authority of the Board. The Board may choose from amongst its Governors a Chairman. Decisions of the Board within its scope of authority shall be binding upon the Company and each Member. Each Governor shall be elected to serve until the next annual meeting of Members and until his successor shall have been duly elected and qualified, except in the event of his earlier death, resignation, or removal or the earlier termination of his term of office. Under such circumstances, the Member listed in Exhibit 5.2(c) who appointed the Governors may designate a successor to complete the term of the Governor who is no longer on the Board.

(b) The Board shall have full, exclusive and complete discretion, power and authority, subject in all cases to the other provisions of this Agreement and the requirements of applicable law, to manage, control, administer and operate the business and affairs of the Company for the purposes herein stated, and to make all decisions affecting such business and affairs, including, without limitation, for Company purposes, the power to:

(1) acquire by purchase, lease or otherwise, any real or personal property, tangible or intangible;

(2) construct, operate, maintain, finance and improve and to own, sell, convey, assign, mortgage or lease any real estate and any personal property;

(3) sell, dispose, trade or exchange Company assets in the ordinary course of the Company's business;

(4) enter into agreements and contracts and to give receipts, releases and discharges;

(5) purchase liability and other insurance to protect the Company's properties and business;

(6) borrow money for and on behalf of the Company, and, in connection therewith, execute and deliver instruments authorizing the confession of judgment against the Company;

(7) execute or modify leases with respect to any part or all of the assets of the Company;

(8) prepay, in whole or in part, refinance, amend, modify or extend any mortgages or deeds of trust which may affect any asset of the Company and in connection therewith to execute for and on behalf of the Company any extensions, renewals or modifications of such mortgages or deeds of trust;

(9) execute any and all other instruments and documents which may be necessary or in the opinion of the Board desirable to carry out the intent and purpose of this Agreement, including, but not limited to, documents whose operation and effect extend beyond the term of the Company;

(10) make any and all expenditures which the Board deems necessary or appropriate in connection with the management of the affairs of the Company and the carrying out of its obligations and responsibilities under this Agreement, including, without limitation, all legal, accounting and other related expenses incurred in connection with the organization and financing and operation of the Company;

(11) enter into any kind of activity necessary to, in connection with, or incidental to, the accomplishment of the purposes of the Company;

(12) invest and reinvest Company reserves in short-term instruments or money market funds;

(13) maintain books of record, open bank accounts, prepare accounting reports and other records or reports necessary to meet legal or regulatory requirements;

(14) develop a detailed operating and capital budget on an annual basis;

(15) employ any entity or person, including Members or affiliates of any Member, as an employee of, agent for or as a consultant to the Company;

(16) ensure that all property, real and personal, and other tangible and intangible assets required to conduct the Company's business is recorded in the name of the Company;

(17) ensure that all licenses, permits, and other regulatory and legal approvals required to operate the Company's business are acquired and transferred to the Company;

(18) apply for any local, state or federal license, permit, franchise, certificate of convenience and necessity, or other approval necessary to conduct the Company's business;

(19) admit a new or additional member and approve such new or additional member's contribution and interest; and

(20) establish committees in accordance with and pursuant to Section 48-239-114 of the Act.

(c) Meetings of the Board shall be held at the principal place of business of the Company or at any other place that the Governors, by Majority Vote, determine. The Board Chairman shall preside at all meetings of the Board. In the alternative, meetings may be held by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other simultaneously, and such participation shall constitute presence in person at such meeting. The presence of at least a majority of the number of votes eligible to be cast by the Governors on a specific issue, matter or action shall constitute a quorum for the transaction of business. Meetings shall be held once each month, or otherwise in accordance with a schedule established by the Board. For the purpose of this Section, notice will be deemed to be duly given to a Governor if given orally (including by telephone) or if such notice is delivered to such Governor in person or mailed, telegraphed, cabled, telexed, photocopied or otherwise delivered by facsimile transmission (with transmission confirmed), to the Governor's last known address. Notice shall be deemed to have been waived by any Governor who shall attend and participate in such meeting. The Board also may make decisions, without holding a meeting, by written consent of all of the Governors.

(d) Each Governor shall have one (1) vote for each Unit beneficially held by the Member that appointed such Governor. The number of votes that a Governor holds and may cast shall increase or decrease in direct proportion to the number of Units held by the Member that appointed such Governor, with such number being determined at the time of the vote by the Governors.

(e) Unless otherwise set forth in this Agreement, decisions of the Board shall require the approval of a Majority Vote of the Governors at a meeting at which a quorum is present, provided, however, that the decision to (1) request

additional capital contributions under Section 3.2(a) and (2) admit new or additional members under Section 6.1(b)(19), shall require the approval of at least those Governors holding that number of votes necessary to constitute a quorum at the meeting where such action under either clause (1) or (2) is taken.

(f) Except as otherwise agreed by the Members, the Governors shall serve without compensation from the Company. However, the Board may reimburse its Governors and the members of any committee for the reasonable expenses incurred in attending the meetings of the Board or of such committee and for expenses incurred on behalf of the Company.

(g) In discharging their duties, Governors and managers, when acting in good faith, may rely upon the books of account and other records of the Company, and financial statements of the Company represented to them to be correct by the Chief Manager or other manager of the Company having charge of its books of accounts, or stated in a written report by an independent public or certified public accountant or firm of such accountants fairly to reflect the financial condition of the Company.

(h) Each Governor shall devote such time to the business and affairs of the Company as is necessary to carry out his duties set forth in this Agreement.

6.2 Managers. (a) The Board shall, as soon as practicable, appoint an individual as manager (the manager, or any successor thereto, being hereinafter collectively referred to as the "Chief Manager") personally to supervise the day-to-day operations of the Company and an individual as secretary (the secretary, or any successor thereto, being hereinafter collectively referred to as the "Secretary") to keep accurate membership records for the Company, and such other managers as it may from time to time deem necessary. Managers need not be Governors, Members or representatives of Members, and each shall receive such compensation as determined by the Board. Any two Manager positions may be held by the same person except the positions of Chief Manager and Secretary. The Managers shall be subject to the general supervision and control of the Board and shall carry out the policy decisions made by the Board. At each regular meeting of the Board (and, when requested by any Governor, at any special meeting of the Board), the Chief Manager and Secretary shall be present and shall report to the Board on the operations of the Company or any other matters as any Governor may request.

(b) At the direction of the Board, the Chief Manager shall have the full power to execute, for and on behalf of the Company, any and all documents and instruments which may be necessary to carry on the business of the Company, including, without limitation, any and all deeds, contracts, leases, mortgages, deeds of trust; promissory notes, security agreements and financing statements pertaining to the Company's assets or obligations. The Chief Manager shall have the authority

to include in those documents a clause authorizing the confession of judgment against the Company. The Chief Manager shall also have such other powers and perform such other duties as may be assigned to him by the Board or in accordance with the Act. No person dealing with the Chief Manager need inquire into the validity or propriety of any document or instrument executed in the name of the Company by the Chief Manager, or as to the authority of the Chief Manager in executing the same.

(c) The Secretary shall maintain records of and, whenever necessary, certify all proceedings of the Board, Members or committees of the Company, receive notices required to be sent to the secretary and record all such notices in the records of the Company, act as Secretary of all meetings of the Members and the Board at which he or she is present, exercise the powers and perform the duties usually incident to the office of Secretary, and exercise such other powers and perform such other duties as may be assigned to him by the Board, the Chief Manager or in accordance with the Act.

6.3. Extraordinary Transactions. Notwithstanding anything to the contrary in this Agreement, the Board shall not take any actions described in this Agreement or the Act which specifically require the Members' approval without such approval, provided, however, that where this Agreement or the Act requires a certain percentage approval of Members other than a Majority Vote of the Members present at a meeting at which a quorum is present, the percentage mandated by this Agreement or the Act shall be controlling.

6.4. Limitation on Liability. No Governor or Manager shall have any personal obligation for any debts, obligations or liabilities of the Company, whether such debts, obligations or liabilities arise in contract, tort or otherwise, solely by reason of being a Member, Manager, employee or agent of the Company. No Governor or Manager shall be liable, responsible or accountable, in damages or otherwise, in any action brought by or in the right of the Company or brought by or on behalf of the Members, except if the Governor or Manager engaged in willful misconduct.

6.5. Indemnification. The Company shall indemnify each Governor and Manager to the fullest extent permitted by the Act for any act performed by the Governor or Manager with respect to Company matters, except in the case of action or failure to act by a Governor or Manager which constitutes willful misconduct or recklessness.

6.6. Power of Attorney. (a) Each Member set forth in Exhibit 5.2(c) constitutes and appoints the Governor it appoints as the Member's true and lawful attorney-in-fact ("Attorney-in-Fact"), and in the Member's name, place and stead, to make, execute, sign, acknowledge and file:

(1) all documents (including amendments to articles of organization) which the Attorney-in-Fact deems appropriate to reflect any amendment, change or modification of this Agreement;

(2) any and all other certificates or other instruments required to be filed by the Company under the laws of Tennessee or of any other state or jurisdiction, including, without limitation, any certificate or other instruments necessary in order for the Company to continue to qualify as a limited liability company under the laws of Tennessee; and

(3) all documents which may be required to dissolve and terminate the Company and to cancel its articles of organization.

(b) The foregoing power of attorney is irrevocable and is coupled with an interest, and, to the extent permitted by applicable law, shall survive the death, disability death, incompetency, insolvency, Bankruptcy, termination, liquidation, dissolution, change in legal form of organization or withdrawal, whether voluntary or involuntary, of a Member. It also shall survive the transfer of an Interest, except that if the transferee is admitted as a Member, this power of attorney shall survive the delivery of the assignment for the sole purpose of enabling the Attorney-in-Fact to execute, acknowledge and file any documents needed to effectuate the substitution. Each Member shall be bound by any representations made by the Attorney-in-Fact acting in good faith pursuant to this power of attorney, and each Member hereby waives any and all defenses which may be available to contest, negate or disaffirm the action of the Attorney-in-Fact taken in good faith under this power of attorney.

7. Transfers of Interests.

7.1. Limitation on Transfer; Right of First Refusal. (a) Any Member may sell, transfer, assign or exchange all but not less than all of its Company Interest to an Affiliate thereof at any time without any consent or restriction from the other Members. Otherwise, there shall be no sale, transfer, assignment or exchange of the whole or any portion of any Member's Interests without the prior written consent of the other Members, which consent shall not be unreasonably withheld. In addition, before any Member sells, transfers, assigns or exchanges any part of its Company Interests to a non-Affiliate of such Member, it shall offer, by giving written notice to the Company and the other Members, that Interest to the Company and all of the other Members for the value determined under Section 8.3. The Company shall have 30 days from the date the notice is deemed received to elect to purchase the offering Member's Interest at the price determined under Section 8.3. If the Company does not timely elect to purchase the offering Member's Interest, each Member shall then be entitled to purchase that fraction of the offering Member's Interest equal to its Company Percentage divided by the Company Percentages of all nonselling Members. If any Member declines to

exercise its right of purchase hereunder, the other Members electing to exercise that right shall be entitled to purchase that portion of the Interest intended to be sold that has been declined by the other Member in amount allowable determined pursuant to reapplication of the principles set forth in this Section 7, excluding from consideration the Company Interests of the selling and declining Members.

Each nonselling Member shall notify the other Members and the selling Member, in writing, of its intention to exercise or not to exercise its purchase rights hereunder within 30 days following receipt of the offer of sale. Subsequent written notifications, if necessary, shall be required within 10 days after receipt by the Members which have not previously declined to exercise their rights of purchase, of their intentions with respect to that portion of the selling Member's Company Interests still subject to a right of purchase. No portion of an Interest offered under this Section 7 shall be permitted to be purchased by the Company or any Member pursuant to this Section 7 unless the entire Interest offered is purchased by the Company or one or more Members. If neither the Company nor any Member elect to purchase the offering Member's Interest, the offering Member shall be free to sell or dispose of its Interest to any non-Affiliate, provided, however, that if such sale or disposal does not take place within 90 days after the expiration of the election period, a subsequent sale to a non-Affiliate may be made only in strict compliance with the provisions of Section 7.

(b) For purposes of this Section 7, an assignment shall be deemed to have occurred if in a single transaction or in a series of transactions any interest in (i) a Member (whether stock, partnership, interest or otherwise), or (ii) an Entity (whether stock, partnership, interest or otherwise) that directly or indirectly holds an ownership interest in a Member, is transferred, diluted, reduced or otherwise affected, provided, however, that an assignment shall not be deemed to have occurred (a) under Section 7.1(b)(i) if the ownership change to any such Entity after the single transaction or series of transactions is less than 5%, or (b) due to the mortgage or pledge of all or any part of a Company Interest to a bank or trust company licensed pursuant to any state or federal banking laws provided, however, that a foreclosure pursuant to any such mortgage or pledge shall be deemed a sale, transfer, assignment or exchange that triggers the right of first refusal described in Section 7.1.

(c) In the event that the Company or any Member reasonably believes that an assignment of all or a portion of another Member's Interest has occurred, the Company or such Member shall be entitled upon three days notice to such Member to inspect and copy the records of such Member relating to the ownership of such Member's Interest. The intent of this Section 7 is to indicate the agreement of the Members that an assignment of all or a portion of a Member's Interest will have occurred if all or a portion of the Member's Interest is transferred to an entity which is not an Affiliate of the Member.

7.2. Substitute Member. No assignee, purchaser or transferee of the whole or any portion of any Members' Interest shall have the right to become a substitute Member, unless:

(a) The transferring Member has designated such intention in a written instrument of assignment, sale or transfer, a copy of which has been delivered to the Company and the other Members;

(b) The transferring Member has obtained the written consent of the Company, which consent shall not be unreasonably withheld;

(c) The Entity acquiring the Member's Interests has adopted and agreed in writing to be bound by all of the provisions hereof, as the same may have been amended;

(d) All documents reasonably required by the Company and the Act to effect the substitution of the Entity acquiring the Member's Interest as a Member shall have been executed and filed at no cost to the Company;

(e) Any necessary prior consents have been obtained from any regulatory authorities; and

(f) Any necessary prior consents have been obtained from any Entity which has provided financing to the Company subject to the right to approve the substitution.

Provided, however, that Subsections (a) and (b) above shall not apply in the case of an assignment or sale to an Affiliate of the assigning or selling Member.

7.3. Indemnification. Each Member transferring a Members' Interests hereby indemnifies the Company and the other Members against any and all loss, attorneys' fees, damage or expense (including, without limitation, tax liabilities or loss of tax benefits) arising, directly or indirectly, as a result of any transfer or purported transfer in violation of any provision contained in this Section 7.

7.4. Distribution and Allocation Subsequent to Transfer. (a) The Profit and Losses of the Company attributable to any Company Interests acquired by reason of the assignment of the Company Interests or substitution of a Member with respect to that interest and any distributions made with respect thereto shall be allocated between the assignor and assignee based upon the length of time during any fiscal year of the Company, as measured by the effective date of the assignment or substitution, that the Company Interests so assigned or with respect to which there is a substitution was owned by each of them.

(b) The effective date of an assignment, sale, transfer or exchange of the Member's Interests or any portion thereof shall be the date designated by the transferring Member.

7.5. Coordination with Section 8. Notwithstanding any other provision to the contrary in this Section 7, an exchange described in Section 8.1(g) with respect to the Units of a Member shall be governed by the provisions of Section 8 and not Section 7.

8. Withdrawal of a Member.

8.1. Member Withdrawal. (a) Effective upon 30 days written notice to each Member, any Member may withdraw from the Company subject to any required regulatory approval.

(b) Any Member shall promptly withdraw from the Company upon the occurrence of default in performance by such Member of any obligation under this Agreement if such default shall not be corrected within 30 days after the same shall be called to the attention of such Member by the Board by written notice specifying the thing or matter in default and the Members whether present in person or by proxy at a meeting at which a quorum is present choose by Majority Vote to insist upon such withdrawal; provided, however, that such 30 -day period shall cease to run during the pendency of any arbitration proceeding instituted pursuant to Section 11.6 to determine the existence of such a default. The Board shall notify each non-defaulting Member of such default in performance.

(c) Any Member shall promptly withdraw upon the Bankruptcy of such Member and/or upon the Bankruptcy of any entity or entity which holds a controlling interest in such Member.

(d) Any Member shall promptly withdraw upon the occurrence of any event or the existence of any facts relating to the Member which could reasonably disqualify the Member or the Company from holding a licenses or authorizations necessary for the Company to conduct its business.

(e) Any Member shall promptly withdraw upon its filing of any pleading, petition, opposition or other document with any regulatory agency or court in opposition to the interests or purposes of the Company, or the soliciting of or assisting in the filing of such document by a third party.

(f) Any Member shall promptly withdraw upon failure by such Member to make arty of its initial Capital Contribution pursuant to Section 3.1.

(g) Upon withdrawal pursuant to (a), (b), (c), (d), or (e) above, the Member so withdrawing shall, subject to the provisions of Section 8.2, receive the value determined under Section 8.3 of its Company Interest in exchange for all of

its Units, which Units shall upon the thereafter no longer be deemed issued and outstanding.

(h) Upon withdrawal pursuant to (a), (b), (c), (d), or (e) above, the number of Units held by the remaining Members shall remain unchanged but the Percentages of the remaining Members shall be increased pro rata to reflect such withdrawal.

8.2. Distribution on Withdrawal. (a) If distribution is made pursuant to Section 8.1(g), amounts payable to the Member so withdrawing or legal representative of the Member shall be paid to such Member or legal representative by the Company and may, at the option of the Board and consistent with regulatory and other legal constraints, be paid in equal annual payments without interest over a period not to exceed 3 years in order to provide the Company, sufficient time to raise capital to replace that capital being withdrawn and to ensure the continued conduct of the business of the Company.

(b) The Company shall hold harmless the withdrawing Member or its legal representative from any Company liabilities arising out of events occurring after the date of withdrawal. In no event shall the withdrawing Member or legal representative of the Member be entitled to any consideration in addition to or in lieu of the consideration as established in this Section 8.

8.3. Amount of Distribution. (a) The amount to be received by the Member under Section 7.1 or Section 8.1(g) shall be such fair market value as mutually agreed to by the offering or withdrawing (as the case may be, and in this Section referred to as the "withdrawing Member") Member or its legal representative and the Company or Members, as applicable. If, after good faith negotiations for a period of two months, the Company and the withdrawing Member (or its legal representatives) cannot agree on the fair market value of such Member's Interest, either party may initiate an appraisal to determine the fair market value of such Interest.

(b) If either party shall initiate an appraisal procedure to determine the fair market value of such interest, then Company, on the one hand, and the withdrawing Member (or its legal representatives), on the other hand, shall each promptly appoint as an appraiser an individual who shall be a member of a nationally-recognized investment banking firm and shall have five years' experience in the appraisal of businesses of the type in the geographic area conducted by Company.

(c) Each appraiser shall, within 30 days of appointment, separately investigate the value of the Company and subject Interest as of the proposed transfer date and shall submit a notice of an appraisal of that value to each party. Each appraiser shall be instructed to determine such value by taking into account

the assets (including goodwill) and liabilities of the Company, and any other factors deemed relevant by the appraiser. The Company shall be valued as a going concern, and no discount shall be used to reflect lack of marketability or minority interest.

(d) If the appraised values of such Interest ("Earlier Appraisals") vary by less than 10%, the average of the two appraisals on a per share basis shall be controlling as the price to be paid for such Interest. If the appraised values vary by more than 10%, the appraisers, within 10 days of the submission of the last appraisal, shall appoint a third appraiser who shall be a member of a nationally recognized investment banking firm. The third appraiser shall, within 30 days of his appointment, appraise the Company and the withdrawing Member's Interest under the same guidelines as the Earlier Appraisals. The value determined by the third appraiser shall be controlling as to the amount to be paid for such Interest unless the value is greater than the two Earlier Appraisals, in which case the higher of the two Earlier Appraisals shall control, and unless that value is lower than the Earlier Appraisals, in which case the lower of the two Earlier Appraisals shall control.

(e) If any party fails to appoint an appraiser or if one of the two initial appraisers fails after appointment to submit his appraisal within the required period, the appraisals submitted by the remaining appraiser shall be controlling, and the parties shall be bound by such price whether or not the remaining appraiser has been selected by such party. The cost of the foregoing appraisals shall be paid by the withdrawing Member (or its legal representatives).

9. Dissolution, Liquidation and Termination of the Company.

9.1. Events of Dissolution. The Company shall be dissolved upon the happening of any of the following events:

- (a) the sale of all or substantially all of the Company's assets;
- (b) upon the unanimous written agreement of the Members;
- (c) upon the having of less than one Member; or
- (d) entry of a decree of judicial dissolution under the Act or Tennessee law.

9.2. Procedure for Winding Up and Distribution. If the Company is dissolved, the Board shall wind up its affairs. On winding up of the Company, the assets of the Company shall be distributed as follows: (a) to creditors of the Company, including Interest Holders who are creditors to the extent permitted by law, in satisfaction of all liabilities of the Company whether by payment or by the establishment of adequate reserves except for liabilities for Distributions to Members under Sections 4.4, 4.7(a) and 8.1; (b) to Members and former Members in

satisfaction of liabilities for Distributions under Sections 4.4, 4.7(a) and 8.1; and (c) to the Interest Holders in accordance with Section 4.5 of this Agreement.

9.3. Time for Liquidation. A reasonable amount of time shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to creditors so as to enable the Members to minimize any losses which otherwise might be incurred.

9.4. Termination. Upon compliance with the foregoing distribution plan the Company shall cease to be such, and the appropriate Managers shall execute, acknowledge and cause to be filed a certificate of cancellation of the Company.

9.5. Board Not Liable for Return of Distribution. The Board shall not be liable for any distribution required pursuant to Section 9.2 and such distribution shall be made solely from available Company assets, if any.

10. Books, Records, Accounting and Tax Elections.

10.1. Bank Accounts. All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Board shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts and the entities who will have authority with respect to the accounts and the funds therein.

10.2. Books and Records. The Board shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of the transactions with respect to the conduct of the Company's business, as required by the Act or Tennessee law. These books and records shall be maintained in accordance with sound accounting principles and practices and shall be available at the Company's principal office for inspection and copying by any Member at any and all reasonable times during normal business hours at such Member's expense.

10.3. Annual Accounting Period and Entity Classification. The annual accounting period of the Company shall be its taxable year. The Company's taxable year shall be selected by the Members, subject to the requirements and limitations of the Code. The Company's initial "tax matters partner" within the meaning of Code Section 6231(a)(7) and comparable provisions of state and local law is designated on Exhibit A. The Company shall file Form 8832, Entity Classification Election, pursuant to Regulation Section 301.7701-1, commonly referred to as the "Check the Box Regulations," if it desires to be classified as anything other than a partnership for federal tax purposes upon advice from its tax advisors.

10.4. Reports. Within 75 days after the end of each taxable year of the Company, the Board shall cause to be sent to each Entity who was a Member at any time during the taxable year then ended a complete accounting of the affairs of the

Company for the taxable year then ended. In addition, within 75 days after the end of each taxable year of the Company, the Board shall cause to be sent to each Entity who was an Interest Holder at any time during the taxable year then ended, that tax information concerning the Company which is necessary for preparing the Interest Holder's income tax returns for that year. At the request of any Member, and at the Member's expense, the Board shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member. The Board shall cause an annual report complying with the requirements of Act to be filed with the Secretary on or before the due date of each year. The Board shall supply all Members with a copy of Company's internal unaudited monthly financial statements within 30 days after the end of each month.

10.5 Membership Certificate Reconciliation. The Board shall review the books and records for the purpose of ascertaining whether the number of Units issued and outstanding as of the annual meeting as reflected in the books and records correspond to the number of Units issued and outstanding as of the annual meeting as reflected in the Membership Certificates issued by the Company. In the event any such review reveals that the number of Units held by a Member pursuant to the books and records exceed the number of Units held by a Member pursuant to Membership Certificates issued to it by the Company, the Board shall issue a Membership Certificate to such Member for that number of Units necessary to eliminate the discrepancy at the annual meeting.

11. General Provisions.

11.1. Assurances; Cooperation. Each Member shall (a) execute all certificates and other documents and shall do all such filing, recording, publishing and other acts as the Board deems appropriate to comply with the requirements of law for the formation and operation of the Company and to comply with any laws, rules and regulations relating to the acquisition, operation or holding of the property of the Company, and (b) except with respect to Additional Capital Contributions which are governed by Section 3.2, take such action, do or cause to be done for the Company, and assist and cooperate with the Company and each Member in doing all things commercially reasonable in furtherance of the purposes described in Section 2.3.

11.2. Notices. Except with respect to notices under Section 6.1(c), any notice, inquiry or demand required or permitted to be given hereunder shall be in writing and shall be deemed received when delivered personally by prepaid for overnight delivery with a national overnight courier company, deposited in the U.S. mail via certified mail and postage prepaid or transmitted by facsimile (with transmission confirmed) to the other party to receive notice at its address or facsimile number (as set forth on Exhibit A or Exhibit 5.2(c) to this Agreement) or other address or facsimile number as it shall have designated by notice in writing.

11.3. Specific Performance. The parties recognize that irreparable injury will result from a breach of any provision of this Agreement and that money damages will be inadequate to fully remedy the injury. Accordingly, in the event of a breach or threatened breach of one or more of the provisions of this Agreement, any party who may be injured (in addition to any other remedies which may be available to that party) shall be entitled to one or more preliminary or permanent orders (a) restraining and enjoining any act which would constitute a breach or (b) compelling the performance of any obligation which, if not performed, would constitute a breach.

11.4. Complete Agreement. This Agreement constitutes the complete and exclusive statement of the agreement among the Members. It supersedes all prior written and oral statements, including any prior representation, statement, condition, or warranty.

11.5. Amendments. Except for amendments made in accordance with this Agreement in connection with assignments of Company Interests by Members to their Affiliates, to reflect additional or substitute Members or changes in Capital Contributions, Units and Percentages, and to reflect changes in a Member's designated representative and/or other information related to providing Notices in accordance with the provisions of this Agreement, this Agreement may not be amended except upon the approval of (a) at least a Majority Vote of the Governors present at a meeting at which a quorum is present, and (b) at least a Majority Vote of the Members present in person or by proxy at a meeting at which a quorum is present. Likewise, the Statement may not be amended except for upon the approval of (a) at least a Majority Vote of the Governors present at a meeting at which a quorum is present, and (b) at least a Majority Vote of the Members present in person or by proxy at a meeting at which a quorum is present. Each Member agrees to execute or cause to be executed promptly any amendments to this Agreement or the Statement and certificates of the Company reasonably requested by the Company and authorized under this Section 11.5. Notwithstanding the above, neither Section 5.2(c) or Exhibit 5.2(c) can be amended without the unanimous consent of all of the Members listed on Exhibit 5.2(c) and, thereafter, the Board may amend Exhibit 5.2(c) to reflect any such amendment.

11.6. Applicable Law and Arbitration. (a) All questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement shall be governed by the internal law, not the law of conflicts, of the State of Tennessee.

(b) In case any disagreement arises with respect to any matter related to this Agreement which cannot be resolved by negotiations shall arise between the Company and a Member, or among the Members, any Member or group of Members may initiate proceedings to submit such disagreement to arbitration by serving written notice of arbitration on the other party, which notice

shall include appointment of an arbitrator, naming such arbitrator. Within 30 days after the date that such notice is deemed to be given, pursuant to the provisions of Section 11.2, the person (or group thereof, if applicable) to whom such notice is given shall similarly appoint an arbitrator by giving like written notice to the initiating persons; or, failing to make such appointment, the arbitrator initially appointed shall be empowered to act as the sole arbitrator and to render a binding decision. In such event, such sole arbitrator shall set a date for hearing the dispute not later than ninety days after the date of his appointment, and shall render its decision in writing to the disputing persons not later than 60 days after the last hearing date.

(c) In the event that the disputing persons duly appoint arbitrators pursuant to subparagraph (b) above, the two arbitrators so appointed shall, within 30 days after the appointment of the later of them to be appointed, select a third arbitrator who shall act as Chairman of the arbitration panel. Such arbitration panel shall set a time for the hearing of the dispute which shall not be later than 60 days after the date of appointment of the third arbitrator, and the final decision of the arbitrators shall be rendered in writing to the disputing Members not later than 60 days after the last hearing date.

(d) In the event that the arbitrators appointed by the disputing persons are not able within 30 days after the appointment of the later of them to be appointed to agree on the selection of a third arbitrator, either one of them may request the American Arbitration Association to select a third arbitrator, and the selection of such third arbitrator by such Association shall be binding.

(e) The place of any arbitration shall be Nashville, Tennessee or at such other place as agreed to by the disputing Members.

(f) The arbitration shall be conducted in accordance with the rules of the American Arbitration Association then prevailing, and the decision of the arbitrator or arbitrators, as the case may be, shall be final and binding on the disputing persons, and shall be enforceable in the courts of the United States.

(g) It is understood and agreed that during any arbitration proceeding involving a dispute, the Board shall have the power and authority to continue the business of the Company, including but not limited to proceeding with the action under dispute.

11.7. Section Titles. The headings herein are inserted as a matter of convenience only, and do not define, limit or describe the scope of this Agreement or the intent of the provisions hereof.

11.8. Binding Provisions. This Agreement is binding upon, and inures to the benefit of, the parties hereto and their respective heirs, executors,

administrators, personal and legal representatives, successors and permitted assigns.

11.9. Jurisdiction and Venue. Any suit involving any dispute or matter arising under this Agreement may only be brought in the United States District Court for the State of Tennessee or any State court having jurisdiction over the subject matter of the dispute or matter. All Members hereby consent to the exercise of personal jurisdiction by any such court with respect to any such proceeding.

11.10. Terms. Common nouns and pronouns shall be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the Entity may in the context require.

11.11. Separability of Provisions. Each provision of this Agreement shall be considered separable; and if, for any reason, any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid.

11.12. Counterparts; Construction. This Agreement will be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and all of which, when taken together, constitute one and the same document. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart. No provision of this Agreement will be interpreted in favor of, or against, any party by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of such provision or of this Agreement.

[SIGNATURE PAGE IMMEDIATELY FOLLOWING]

Exhibit A
to
TENNESSEE INDEPENDENT TELECOMMUNICATIONS GROUP, LLC
First Amended and Restated
Limited Liability Company Operating Agreement

List of Members. Capital, and Units (Percentage)

Name, Address and Taxpayer I.D. Number	Units (Percentage)
Ardmore Telephone Company, Inc. P.O. Box 549 517 Ardmore Ave. Ardmore, TN 38449 Attn: Mr. Terry Wales Phone 256-423-6900 Fax 256-423-2308 EIN 62-0590108	500,000 (5.00%)
Ben Lomand Rural Telephone Coop P.O. Box 670 311 North Chancery St. McMinnville, TN 37111 Attn: Mr. Levoy Knowles Phone 931-473-2517 Fax 931-668-6646 EIN 62-0532537	1,000,000 (10.00%)
Bledsoe Telephone Coop P.O. Box 609 203 Cumberland Ave. Pikeville, TN 37367 Attn: Mr. Greg Anderson Phone 423-447-2121 Fax 423-447-6853 EIN 62-0526657	1,000,000 (10.00%)
DTC Communications P.O. Box 247 111 High Street Alexandria, TN 37012 Attn: Mr. Wayne Gassaway Phone 615-464-2201 Fax 615-529-1500 EIN 62-0513986	1,000,000 (10.00%)

Exhibit A
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List of Members. Capital, and Units (Percentage)

Name, Address and Taxpayer I.D. Number	Units (Percentage)
Highland Telephone Coop P.O. Box 119 7840 Morgan County Hwy. Sunbright, TN 37872 Attn: Mr. Fred Terry Phone 423-628-2121 Fax 423-628-2409 EIN 62-0549541	1,000,000 (10.00%)
Loretto Communications Services, Inc. P.O. Box 130 Loretto, TN 38469 Attn: Ms. Louise Broom Phone 931-853-4351 Fax 931-853-4329 EIN 62-1810705	1,000,000 (10.00%)
North Central Communications, Inc. P.O. Box 70 Hwy 52 By-Pass Lafayette, TN 37083 Attn: Mr. Tom Rowland Phone 615-666-2151 Fax 615-666-6772 EIN 62-1721886	1,000,000 (10.00%)
Scott County Telephone Coop P.O. Box 487 121 Woodland St. Gate City, VA 24251 Attn: Mr. Bill Franklin Phone 540-452-9119 Fax 540-452-2447 EIN 54-0557573	1,000,000 (10.00%)

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List of Members. Capital, and Units (Percentage)

Name, Address and Taxpayer I.D. Number	Units (Percentage)
Twin Lakes Telephone Cooperative P.O. Box 67 201 West Gore Ave. Gainesboro, TN 38562 Attn: Mr. Robert Dudney Phone 931-268-2151 Fax 931-268-2734 EIN 62-0517180	1,000,000 (10.00%)
United Telephone Company P.O. Box 38 120 Taylor Street Chapel Hill, TN 37034 Attn: Mr. Herb Bivens Phone 931-364-2289 Fax 931-364-7202 EIN 62-0448502	500,000 (5.00%)
West Kentucky Rural Telephone Cooperative P.O. Box 649 237 North 8 th Street Mayfield, KY 42066 Attn: Mr. Trevor Bonnstetter Phone 502-247-4350 Fax 502-856-3611 EIN 61-0471985	1,000,000 (10.00%)

Registered Agent:

The registered office of the Company shall be 2525 W. End Avenue, Fourth Floor, Nashville, Davidson County, Tennessee 37203, and the registered agent of the Company shall be Ellen Bryson.

Tax Matters Partner:

The Tax Matters Partner shall be Highland Telephone Cooperative, P.O. Box 119, 7840 Morgan County Hwy., Sunbright, TN 37872, Attn: Mr. Fred Terry

Exhibit A
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Ardmore Telephone Company, Inc. P.O. Box 549 517 Ardmore Ave. Ardmore, TN 38449 Attn: Mr. Terry Wales Phone 256-423-6900 Fax 256-423-2308 EIN 62-0590108	500,000 (5.81%)
Ben Lomand Rural Telephone Coop P.O. Box 670 311 North Chancery St. McMinnville, TN 37111 Attn: Mr. Levoy Knowles Phone 931-473-2517 Fax 931-668-6646 EIN 62-0532537	1,000,000 (11.63%)
Bledsoe Telephone Coop P.O. Box 609 203 Cumberland Ave. Pikeville, TN 37367 Attn: Mr. Greg Anderson Phone 423-447-2121 Fax 423-447-6853 EIN 62-0526657	900,000 (10.47%)
DTC Communications P.O. Box 247 111 High Street Alexandria, TN 37012 Attn: Mr. Wayne Gassaway Phone 615-464-2201 Fax 615-529-1500 EIN 62-0513986	1,000,000 (11.63%)

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List of Members. Capital, and Units (Percentage)

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Highland Telephone Coop P.O. Box 119 7840 Morgan County Hwy. Sunbright, TN 37872 Attn: Mr. Fred Terry Phone 423-628-2121 Fax 423-628-2409 EIN 62-0549541	500,000 (5.81%)
Loretto Communications Services, Inc. P.O. Box 130 Loretto, TN 38469 Attn: Mr. Sayles Brown Phone 931-853-4351 Fax 931-853-4329 EIN 62-1810705	800,000 (9.30%)
North Central Communications, Inc. P.O. Box 70 Hwy 52 By-Pass Lafayette, TN 37083 Attn: Mr. Tom Rowland Phone 615-666-2151 Fax 615-666-6772 EIN 62-1721886	1,000,000 (11.63%)
Scott County Telephone Coop P.O. Box 487 121 Woodland St. Gate City, VA 24251 Attn: Mr. Bill Franklin Phone 540-452-9119 Fax 540-452-2447 EIN 54-0557573	500,000 (5.81%)

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List of Members. Capital, and Units (Percentage)

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United Telephone Company P.O. Box 38 120 Taylor Street Chapel Hill, TN 37034 Attn: Mr. Herb Bivens Phone 931-364-2289 Fax 931-364-7202 EIN 62-0448502	500,000 (5.81%)
West Kentucky Rural Telephone Cooperative P.O. Box 649 237 North 8 th Street Mayfield, KY 42066 Attn: Mr. Trevor Bonnstetter Phone 502-247-4350 Fax 502-856-3611 EIN 61-0471985 Registered Agent: The registered office of the Company shall be 2525 West End Avenue, 4 th Floor, Nashville, Tennessee 37203, and the registered agent of the Company shall be Ellen Bryson. Tax Matters Partner: The Tax Matters Partner shall be Highland Telephone Cooperative, P.O. Box 119, 7840 Morgan County Hwy., Sunbright, TN 37872, Attn: Mr. Fred Terry	900,000 (10.47%)

Exhibit 1
to
TENNESSEE INDEPENDENT TELECOMMUNICATIONS GROUP, LLC
First Amended and Restated
Limited Liability Company Operating Agreement

Definitions

“Act” means the Tennessee Limited Liability Company Act, as amended from time to time.

“Adjusted Capital Account Deficit” means, with respect to any Interest Holder, the deficit balance, if any, in the Interest Holder’s Capital Account as of the end of the relevant taxable year, after giving effect to the following adjustments:

(a) the deficit shall be decreased by the amounts which the Interest Holder is obligated to contribute subsequently to the capital of the Company as determined under Regulation Section 1.704-1(b)(2)(ii)(c) or is deemed obligated to restore pursuant to the penultimate sentences of Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(b) the deficit shall be increased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5), and (6).

“Affiliate” means, with respect to any Member, any Entity directly or indirectly controlling, controlled by or under common control with a Member. The terms “control”, “controlling”, or “controlled” shall mean (a) the record or beneficial ownership of 50% or more of (1) the voting securities or other voting rights of an Entity, or (2) the beneficial interests of a Entity, or (b) the right to appoint to a Entity’s Board of Directors or such governing body that has similar functions a majority of the members of such Board or body.

“Agreement” means this First Amended and Restated Limited Liability Company Operating Agreement, and any exhibit or schedules, each as amended from time to time.

“Attorney-in-Fact” has the meaning set forth in Section 6.6(a).

“Bankruptcy” means, with respect to any Member or Interest Holder (a) a general assignment for the benefit of creditors or consenting to the appointment of a trustee or receiver or becoming insolvent or unable to pay its debts as they become due, (b) the commencement by or against such Member or Interest Holder of any liquidation, dissolution, bankruptcy, reorganization, insolvency or other proceeding for the relief of financially distressed debtors and which, if instituted against the Member or Interest Holder, is consented to by said the Member or Interest Holder or permitted to remain undismissed for 90 days, (c) the appointment for such

Member or Interest Holder or for a substantial part of such Member or Interest Holders assets, of a receiver, liquidator, custodian or trustee or (d) the entry of an order for relief against such Member or Interest Holder under Title 11 of the United States Bankruptcy Code.

“Board” has the meaning set forth in Section 6.1(a).

“Capital Account” means the account maintained by the Company for each Interest Holder in accordance with the following provisions:

(a) an Interest Holders Capital Account shall be credited with the Interest Holder’s Capital Contributions, the amount of any Company liabilities assumed by the Interest Holder (or which are secured by Company property distributed to the Interest Holder), the Interest Holders distributive share of Profit and any item in the nature of income or gain specially allocated to such Interest Holder pursuant to the provisions of Section 4 (other than Section 4.5(c)); and

(b) an Interest Holder’s Capital Account shall be debited with the amount of money and the fair market value of any Company property distributed to the Interest Holder, the amount of any liabilities of the Interest Holder assumed by the Company (or which are secured by property contributed by the Interest Holder to the Company), the Interest Holder’s distributive share of Loss and any item in the nature of expenses or losses specially allocated to the Interest Holder pursuant to the provisions of Section 4 (other than Section 4.5(c)).

If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. If the book value of Company property is adjusted pursuant to Section 4.5(c), the Capital Account of each Interest Holder shall be adjusted to reflect the aggregate adjustment in the same manner as if the Company had recognized gain or loss equal to the amount of such aggregate adjustment. It is intended that the Capital Accounts of all Interest Holders shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts shall be interpreted and applied in a manner consistent with that Regulation.

“Capital Contribution” means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704-1(b)(2)(iv)(d)) to the Company by a Member, net of liabilities assumed or to which the assets are subject.

“Chief Manager” has the meaning set forth in Section 6.2(a).

“Code” means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

“Company” means the limited liability company organized in accordance with this Agreement.

“Distributions” mean the direct or indirect transfer of money or other property or the transfer of indebtedness by the Company to or for the benefit of its Members in respect of their Interests in the Company. A distribution may be in the form of a company distribution, purchase, redemption or other acquisition of an Interest, a distribution of indebtedness or otherwise.

“Entity” means an individual, general or limited partnership, limited liability company, foreign limited liability company, trust, association, corporation, or another legal or commercial organization.

“Governor” has the meaning set forth in Section 6.1(a).

“Interest” means a Member’s Units, Membership Rights and economic rights in the Company, including the Members share of the Profits and Losses of, and the right to receive Distributions from, the Company.

“Interest Holder” means any Entity who holds an Interest, whether as a Member or as an unadmitted assignee of a Member.

“Majority Vote” means, with respect to a vote by the Members, more than 50% in Percentage Interests of the Members eligible to vote on a specific issue, matter or action. With respect to a vote of the Governors it means more than 50% of the total number of votes that the Governors are eligible to cast on a specific issue, matter or action.

“Manager” or **“Managers”** means the Chief Manager, Secretary and/or other managers appointed by the Board pursuant to Section 6.2(a).

“Member” means a Entity admitted to the Company and any Entity who subsequently is admitted as a Member of the Company, and, in each case, as to whom a withdrawal has not occurred.

“Membership Rights” means all of the rights of a Member in the Company, namely, a Member’s: (a) Interest; and (b) rights described in Sections 5.1 and 6.3.

“Minimum Gain” has the meaning set forth in Regulation Section 1.704-2(d). Minimum Gain shall be computed separately for each Interest Holder in a manner consistent with the Regulations under Code Section 704(b).

“Negative Capital Account” means a Capital Account with a balance of less than zero.

“Percentage” means (a) as to a Member, the proportion (expressed as a percentage on Exhibit 1, as amended from time to time) that the number of Units held by a Member bears to the total number of Units issued and outstanding, and (b) as to an Interest Holder who is not a Member, the Percentage of the Member whose Interest has been acquired by such Interest Holder, to the extent the Interest Holder has succeeded to that Member’s Interest.

“Profit” and “Loss” means, for each taxable year of the Company (or other period for which Profit or Loss must be computed) the Company’s taxable income or loss determined in accordance with Code Section 703(a), with the following adjustments:

(a) all items of income, gain, loss, deduction or credit required to be stated separately pursuant to Code Section 703(a)(1) shall be included in computing taxable income or loss;

(b) any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included in computing taxable income or loss,

(c) any expenditures of the Company described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be subtracted from taxable income or loss;

(d) gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the adjusted book value of the property disposed of, notwithstanding the fact that the adjusted book value differs from the adjusted basis of the property for federal tax purposes;

(e) in lieu of the depreciation, amortization or cost recovery deductions allowable in computing taxable income or loss, there shall be taken into account the depreciation computed based upon the adjusted book value of the asset; and

(f) notwithstanding any other provision of this definition, any items which are specially allocated pursuant to Section 4 hereof shall not be taken into account in computing Profit or Loss.

“Regulation” means the income tax regulations, including any temporary regulations, from time to time promulgated under the Code.

“Secretary” has the meaning set forth in Section 6.2(a).

“Secretary of State” means the Secretary of State of Tennessee or the agent designated by him or her to perform any function vested in the Secretary of State by the Act.

“Statement” means the Company’s First Amended and Restated Articles of Organization which has been executed and filed with the Secretary of State, and any amended or restated Articles of Organization.

“Units” has the meaning set forth in Section 2.7.

Exhibit 5.2(c)
to
TENNESSEE INDEPENDENT TELECOMMUNICATIONS GROUP, LLC
First Amended and Restated
Limited Liability Company Operating Agreement

Members with Appointment Rights

Ardmore Telephone Company, Inc.
Ben Lomand Rural Telephone Cooperative
Bledsoe Telephone Cooperative
DTC Communications
Highland Telephone Cooperative
Loretto Communications Services, Inc.
North Central Communications, Inc.
Scott County Telephone Cooperative
Twin Lakes Telephone Cooperative
United Telephone Company
West Kentucky Rural Telephone Cooperative Corporation, Inc.

Exhibit 6.1
to
TENNESSEE INDEPENDENT TELECOMMUNICATIONS GROUP, LLC
First Amended and Restated
Limited Liability Company Operating Agreement

Board of Governors

Mr. Terry Wales <u>twales@ardmore.net</u>	Ardmore Telephone Company, Inc. P.O. Box 549, 517 Ardmore Avenue Ardmore, TN 38449 Phone: 256-423-6900; Fax 256-423-2308
Mr. Levoy Knowles <u>lknowles@blomand.net</u>	Ben Lomand Rural Telephone Cooperative P.O. Box 670, 311 North Chancery St. McMinnville, TN 37111 Phone: 931-473-2517, Fax 931-668-6646
Mr. Greg Anderson <u>glanderson@bledsoe.net</u>	Bledsoe Telephone Cooperative P.O. Box 609, 203 Cumberland Ave. Pikeville, TN 37367 Phone: 423-447-2121, Fax 423-447-6853
Mr. Wayne Gassaway <u>hwayneg@dtccom.net</u>	DTC Communications P.O. Box 247, 111 High Street Alexandria, TN 37012 Phone: 615-464-2201, Fax 615-529-1500
Mr. Fred Terry <u>fred@highlandtel.net</u>	Highland Telephone Cooperative P.O. Box 119, 7840 Morgan County Hwy. Sunbright, TN 37872 Phone: 423-628-2121, Fax 423-628-2409
Mr. Sayles Brown <u>tracey@lorretotel.net</u>	Loretto Communications Services, Inc. P.O. Box 130; 136 S. Main Street Loretto, TN 38469 Phone 931-853-4351, Fax 931-853-4329
Mr. Tom Rowland <u>trowland@nctc.com</u>	North Central Communications, Inc. P.O. Box 70, Hwy 52 By-Pass Lafayette, TN 37083 Phone: 615-666-2151, Fax 615-666-6772

Mr. Bill Franklin
billfranklin@sctc.org

Scott County Telephone Coop
P.O. Box 487, 121 Woodland St.
Gate City, VA 24251
Phone: 540-452-9119, Fax 540-452-2447

Mr. Robert Dudney
bef@twlakes.net

Twin Lakes Telephone Cooperative
P.O. Box 67, 201 Gore Ave.
Gainesboro, TN 38562
Phone: 931-268-2151, Fax 931-268-2734

Mr. Herb Bivens
hbivens@united.net

United Telephone Company
P.O. Box 38, 120 Taylor Street
Chapel Hill, TN 37034
Phone: 931-364-2289, Fax 931-364-7202

Mr. Trevor Bonnstetter
tbonn@wk.net

West Kentucky Rural Telephone Cooperative
Corporation, Inc.
P.O. Box 649, 237 North 8th Street
Mayfield, KY 42066
Phone: 502-247-4350, Fax 502-856-3611

IN WITNESS WHEREOF, the parties have executed, or caused this Tennessee Independent Telecommunications Group, LLC First Amended and Restated Limited Liability Company Operating Agreement to be executed, as of the Effective Date.

Bledsoe Telephone Cooperative

By: Gregory S. Anderson
Name: Gregory S. Anderson
Title: General Manager

Scott County Telephone Cooperative

By: William J. Franklin
Name: William J. Franklin
Title: Chief Executive Officer

Twin Lakes Telephone Cooperative

By: Robert D. Dunbar
Name: ROBERT D. DUNBAR
Title: GEN. MGR.

DTC Communications

By: Wayne Passaway
Name: Wayne Passaway
Title: Gen. Mgr.

Loretto Communications Services, Inc.

By: Dayle Brown
Name: Dayle Brown
Title: OPS

United Telephone Company

By: Herbert R. Bivens
Name: Herbert R. Bivens
Title: General Manager

Ardmore Telephone Company

By: Terry M. Wales
Name: TERRY M. WALES
Title: GENERAL MANAGER

North Central Communications, Inc.

By: F. Thomas Rowland
Name: F. Thomas Rowland
Title: Executive Vice President / Gen. Manager

Ben Lomand Rural Telephone Cooperative

By: Levoy Knowles
Name: Levoy Knowles
Title: CEO

Highland Telephone Cooperative

By: Fred Terry
Name: Fred Terry
Title: General Mgr.

West Kentucky Rural Telephone Cooperative.

By: Trevor R. Bonnstetter
Name: Trevor R. Bonnstetter
Title: General Manager